

APPLICATION FOR UNITED STATES LETTERS PATENT

ON INVENTION FOR:

METHOD OF PROVIDING A CREDIT CARD DRIVEN TUITION INCENTIVE  
AWARDS PROGRAM

BY INVENTOR: Shlomo Nahmias

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Agt. Doc. No.: NAHS10A

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RICHARD L. MILLER

REGISTERED PATENT AGENT

12 PARKSIDE DRIVE

DIX HILLS, NEW YORK 11746-4879

PHONE: (631) 499-4343

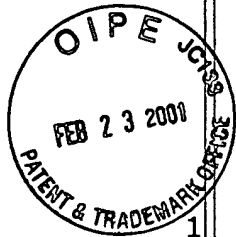
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TO ALL WHOM IT MAY CONCERN:

BE IT KNOWN that I, Shlomo Nahmias,  
a citizen of THE UNITED STATES OF AMERICA and resident of:  
Brooklyn, NY 11230

have invented certain new and useful improvements in a(n):  
METHOD OF PROVIDING A CREDIT CARD DRIVEN TUITION INCENTIVE  
AWARDS PROGRAM

of which the following is a full, clear, concise and exact  
description:



1 Inventor: Shlomo Nahmias  
2 Invention: METHOD OF PROVIDING A CREDIT CARD DRIVEN TUITION INCENTIVE  
3 AWARDS PROGRAM  
4 DOC. No.: NAHS10A  
5 DISK NAME: SPEC002A,2B,C

6 BACKGROUND OF THE INVENTION

7 Field of the Invention:

8 The present invention relates to a method of providing a tuition  
9 incentive awards program. More particularly, the present invention relates  
10 to a method of providing a credit card driven tuition incentive awards  
11 program.

12 Description of the Prior Art:

13 Numerous innovations for incentive award systems have been provided  
14 in the prior art that will be described. Even though these innovations may  
15 be suitable for the specific individual purposes to which they address,  
16 however, they differ from the present invention.

17 A FIRST EXAMPLE, U.S. Patent No. 5,025,372 to Burton et al. teaches  
18 computer data processing, programming and printing for an improved  
19 incentive award program which allocates monetary amounts available for  
20 expenditure through credit instruments issued to program participants when  
21 the participants perform to a designated level of achievement.  
22 Participants identifying information and credit instrument account numbers  
23 are stored in memory. The incentive program can be divided into multiple  
24 time periods. Levels of performance are calculated and assigned for each  
25 participant in order for a monetary amount to be available for expenditure  
26 through the participant's credit instrument. Monetary amounts can be  
27 withheld from the amounts allocated to the instrument accounts.  
28 Adjustments can be made in the withheld amounts and in the achievement

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1 lev ls. Calculations, adjustment and reporting concerning amounts  
2 allocated for instrument use, withheld amounts, instrument transactions and  
3 account balances are made. Calculations and printed invoices for payment  
4 by a financial institution to an incentive company based on the credit  
5 instruments issued under the incentive program are made and are dependent  
6 upon the monetary volume of expenditures through the credit instruments,  
7 the total interest income on the credit instruments, and the number of  
8 instruments issued. The tradename or trademark of the company sponsoring  
9 the program can appear on the physical credit instruments and on statements  
10 provided to participants. Travel and merchandise awards are integrated  
11 with the credit instrument program.

12 A SECOND EXAMPLE, U.S. Patent No. 5,056,019 to Schultz et al. teaches  
13 a marketing method for providing manufacturer purchase reward offers by  
14 automatically tracking the purchases of member consumers through the use  
15 of bar coded membership cards and using the purchase records in a data  
16 processing system to determine if the required purchases have been made to  
17 earn a reward. Each member consumer receives a reward booklet disclosing  
18 the available reward offers, a periodic status report indicating the member  
19 consumer's progress toward earning rewards, and a reward certificate for  
20 those rewards earned.

21 A THIRD EXAMPLE, U.S. Patent No. 5,297,026 to Hoffman teaches a  
22 system and data processing arrangement for promoting purchases and account  
23 activity in a credit card account or other consumer transaction involving  
24 sales of goods or services rewards a customer for purchases by providing  
25 a high rate of return for funds invested by the customer. A financial  
26 institution, general purpose credit card agency, department store,  
27 automobile manufacturer, or various other marketers of goods or services  
28 agrees to grant the customer a high rate of interest on funds invested with  
29 the firm by the customer, provided the customer makes purchases. For  
30 purchases made by the customer in a given period (such as one month or six  
31 months), the firm gives the customer the right to invest a certain  
32 percentage (such as 10%) of the amount of purchases made by the customer

1 in that period. Using automated data processing, the firm calculates the  
2 sum of the total purchases made by the customer during the preselected  
3 period. Then, funds are accepted from the customer up to the pre-agre d  
4 percentage of purchases, and provides a deposit account for the customer,  
5 crediting the investment funds in the deposit account. The firm may limit  
6 the term during which interest is paid on accepted funds invested for a  
7 particular such period, such as a term of six months or one year, or it may  
8 simply lower the interest rate at the end of that term.

9 A FOURTH EXAMPLE, U.S. Patent No. 5,983,196 to Wendkos teaches a  
10 computer implemented system awards promotional incentives. A participant  
11 in the awards system calls or connects to an interactive platform for  
12 registering and/or redeeming credits preferably described in uniquely  
13 identified certificates. In a telephone environment, the interactive  
14 platform is connected to a toll free telephone number where a participant's  
15 call is handled by a computer controlled voice response unit. In a  
16 computer network environment, a computer user connects to the interactive  
17 platform over the network. The participant receives awards credits based  
18 on the unique identification of certificates. Award credits for a  
19 participant are accumulated in a stored record associated with the  
20 participant until redeemed. Award credits can also be acquired as an  
21 instant winner based on a random or algorithmic selection of callers to  
22 receive such credits. Awards include electronic prizes such as free long  
23 distance telephone time, electronic cash and/or service credits.  
24 Connection to the interactive platform may occur during execution of an  
25 application program such as an electronic game or electronic shopping.

26 A FIFTH EXAMPLE, U.S. Patent No. 5,991,736 to Ferguson et al. teaches  
27 a patronage incentive system in which a monetary award is made to a  
28 customer's retirement account as incentive for the customer to participate  
29 in a transaction with the sponsor for the sponsor's goods or services. The  
30 system includes a means for identifying the customer, a means for inputting  
31 the identification information and other information about the transaction  
32 into a computer data storage, a comput r data processing device which uses

1 a software program along with the transactional information to calculate  
2 an incentive award amount a means for transferring the monetary funds equal  
3 to the incentive award amount from an incentive award pool to th  
4 customer's retirement account, and a means of reporting the incentive award  
5 amount to the customer and to the sponsor. Embodiments of a method of  
6 conducting a patronage incentive system of the present invention are also  
7 disclosed comprising the steps of inputing transactional information into  
8 a computer data storage device, calculating the incentive award amount  
9 through the use of a computer data processing device, transferring monetary  
10 funds equal to the incentive award amount from an incentive award pool to  
11 the customer's retirement account, and reporting the incentive award amount  
12 to the customer and to the sponsor.

13 It is apparent that numerous innovations for incentive award systems  
14 have been provided in the prior art that are adapted to be used.  
15 Furthermore, even though these innovations may be suitable for the specific  
16 individual purposes to which they address, however, they would not be  
17 suitable for the purposes of the present invention as heretofore described.

[illegible]

The novel features which are considered characteristic of the present invention are set forth in the appended claims. The invention itself, however, both as to its construction and its method of operation, together with additional objects and advantages thereof, will be best understood from the following description of the specific embodiments when read and understood in connection with the accompanying drawing.

BRIEF DESCRIPTION OF THE DRAWING

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The figures of the drawing are briefly described as follows:

3

FIGURES 1A-1UU are a flow chart of the present invention.

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LIST OF REFERENCE NUMERALS UTILIZED IN THE DRAWING

- 2 10 credit card driven tuition incentive awards program of present  
3 invention  
4 12 agreement between credit card issuer 14 and program vendor 16  
5 14 credit card issuer  
6 16 program vendor  
7 18 percentage of credit card sales  
8 20 predetermined period  
9 22 FDIC insured bank accounts  
10 24 set interest collecting on FDIC insured bank accounts 22  
11 26 cost of operations of program vendor 16  
12 28 potential credit card holder  
13 30 credit card  
14 32 credit card holder  
15 34 annual fee for credit card holder to participate in credit card  
16 driven tuition incentive awards program 10  
17 36 account of credit card holder 32  
18 38 balance of account 36 of credit card holder 32  
19 40 account balance of account 36 of credit card holder 32  
20 42 amount  
21 43 amount charged on credit card 30  
22 44 certain percentage 44 of amount charged 42 on credit card 30  
23 46 points  
24 48 points accumulated  
25 50 telephone  
26 52 Internet  
27 54 predetermined amount of points accumulated 48  
28 56 dollars  
29 58 dollar amount  
30 60 check in dollar amount 58  
31 62 student

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1                   DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

2                   Referring now to figures 1A-1UU, the method of providing a  
3 credit card driven tuition incentive awards program of the present  
4 invention is shown generally at 10 and comprises the following steps.

5       STEP 1:       Pay out, by a credit card issuer 14, as per an agreement 12  
6                   between the credit card issuer 14 and a program vendor 16, a  
7                   percentage of credit card sales 18 at a predetermined period  
8                   20, to the program vender 16, wherein the predetermined period  
9                   20 is one of monthly and quarterly.

10       STEP 2:     Place, by at least one of the credit card issuer 14 and the  
11                   program vendor 16, the percentage of credit card sales 18 in  
12                   insured bank accounts 22 collecting set interest 24.

13       STEP 3:     Keep optionally, by the at least one of the program vendor 16  
14                   and the credit card issuer 14, the set interest 24 for cost of  
15                   operations 26.

16       STEP 4:     Apply, by a potential credit card holder 28, for a credit card  
17                   30, to the credit card issuer 14.

18       STEP 5:     Determine, by the credit card issuer 14, if the potential  
19                   credit card holder 28 qualifies for the credit card 30.

20       STEP 6:     Abort, if answer to STEP 5 is no.

21       STEP 7:     Issue, by the credit card issuer 14, the credit card 30, to  
22                   the potential credit card holder 28 so as to form a credit  
23                   card hold r 32, if answ r to STEP 5 is yes, and as a result  
24                   thereof, th credit card hold r 32 automatically is approved

1 for the credit card driven tuition incentive award program 10,  
2 by virtue of affiliation of the credit card driven tuition  
3 incentive award program 10 and the credit card issuer 14 with  
4 each other.

5 STEP 8: Pay, by the credit card holder 32, an annual fee 34, to at  
6 least one of the credit card issuer 14 and the program vendor  
7 16 so as to form an account 36 with a balance 38 so as to form  
8 an account balance 40, if STEP 7 is carried out, wherein the  
9 annual fee 34 is predetermined.

10 STEP 9: Charge, by the credit card holder 32, an amount 42 on th  
11 credit card 30 so as to form an amount charged 43, if STEP 8  
12 is carried out.

13 STEP 10: Accumulate, by the at least one of the program vendor 16 and  
14 the credit card issuer 14, a certain percentage 44 of the  
15 amount charged 42 on the credit card 30, by the credit card  
16 holder 32, if STEP 9 is carried out.

17 STEP 11: Convert, by the at least one of the program vendor 16 and the  
18 credit card issuer 14, the certain percentage 44 to points 46  
19 so as to form points accumulated 48, if STEP 10 is carried  
20 out.

21 STEP 12: Check, by the credit card holder 32, the account balance 40,  
22 by one of telephone 50 and Internet 52, if STEP 11 is carried  
23 out.

24 STEP 13: Determine, by the credit card holder 32, if the points  
25 accumulated 48 are to be redeemed when the points accumulated  
26 48 reach a predetermined amount 54.

1     STEP 14:     Determine if the points accumulated 48 has reached the  
2                     predetermined amount 54, if answer to STEP 13 is yes.

3     STEP 15:     Return to STEP 9, if answer to STEP 14 is no.

4     STEP 16:     Convert, by the at least one of the program vendor 16 and the  
5                     credit card issuer 14, the points accumulated 48 to dollars 56  
6                     so as to form a dollar amount 58, if answer to STEP 14 is yes.

7     STEP 17:     Issue, by the at least one of the program vendor 16 and the  
8                     credit card issuer 14, a check 60 in the dollar amount 58, if  
9                     STEP 16 is carried out.

10    STEP 18:     Determine if the credit card holder 32 is not a student 62 who  
11                     has a name 64 and who attends a school 66 with a tuition 68,  
12                     if STEP 17 is carried out.

13    STEP 19:     Proceed to STEP 21, if answer to STEP 18 is no.

14    STEP 20:     Put, by the at least one of the program vendor 16 and the  
15                     credit card issuer 14, the name 64 of the student 62 on the  
16                     check 60, if answer to STEP 18 is yes.

17    STEP 21:     Determine if there is a problem 70 getting the check 60 to the  
18                     school 66.

19    STEP 22:     Send, by the at least one of the program vendor 16 and the  
20                     credit card issuer 14, the check 60 directly to the credit  
21                     card holder 32, if answer to STEP 21 is yes.

22    STEP 23:     Forward, by the credit card holder 32, the check 60 to the  
23                     school 66, if STEP 22 is carried out.

1 STEP 24: Send, by the at least one of th program v ndor 16 and the  
2 credit card issuer 14, the check 60 directly to the school 66,  
3 wherein each school 66 receives a distinct code number 72, if  
4 the answer to STEP 21 is no.

5 STEP 25: Confirm, by the at least one of the program vendor 16 and the  
6 credit card issuer 14, to the credit card holder 32, that the  
7 check 60 has been sent out so as to form a confirmation 74,  
8 wherein the confirmation 74 is by one of mail 76, e-mail 78,  
9 and the telephone 50, if STEP 24 is carried out.

10 STEP 26: Credit, by the school 66, the check 60 towards the tuition 68  
11 of the student 62.

12 STEP 27: Call, by the credit card holder 32, the at least one of the  
13 program vendor 16 and the credit card issuer 14 so as to form  
14 a call 80, wherein the call 80 is by one of automated  
15 telephone 82 and the Internet 84, if answer to STEP 13 is no.

16 STEP 28: Determine if the call 80 is made within a predetermined tim ,  
17 if STEP 27 is carried out.

18 STEP 29: Request, by the credit card holder 32, redemption of the  
19 points accumulated 48, from the at least one of the program  
20 vendor 16 and the credit card issuer 14, if answer to STEP 28  
21 is yes.

22 STEP 30: Return to STEP 24, if STEP 29 is carried out.

23 STEP 31: Forfeit automatically, the points accumulated 48, to the at  
24 least one of the program vendor 16 and the credit card issuer  
25 14, if answer to STEP 28 is no.

1           It will be understood that each of the elements described  
2 above, or two or more together, may also find a useful application in other  
3 types of constructions differing from the types described above.

4           While the invention has been illustrated and described as  
5 embodied in a method of providing a credit card driven tuition incentive  
6 awards program, however, it is not limited to the details shown, since it  
7 will be understood that various omissions, modifications, substitutions and  
8 changes in the forms and details of the device illustrated and its  
9 operation can be made by those skilled in the art without departing in any  
10 way from the spirit of the present invention.

11           Without further analysis, the foregoing will so fully reveal  
12 the gist of the present invention that others can, by applying current  
13 knowledge, readily adapt it for various applications without omitting  
14 features that, from the standpoint of prior art, fairly constitute  
15 characteristics of the generic or specific aspects of this invention.